• 11 ஆம் பக்கத்தில் இனம் 5(1) க்கான அடிகுறிப்பைக் காண்க.

L. A. BILL No. 37 OF 1972.

(As passed by the Assembly.)

A Bill further to amend the Tamil Nadu Agricultural Income-tax Act, 1955.

Be it enacted by the Legislature of the State of Tamil Nadu in the Twenty-third Year of the Republic of India as follows :—

1. *Short title and commencement.*—(1) This Act may be called the Tamil Nadu Agricultural Income-tax (Amendment) Act, 1972.

(2) It shall be deemed to have come into force on the 1st April 1972.

2. *Amendment of section 2, Tamil Nadu Act V of* 1955.—In section 2 of the Tamil Nadu Agricultural Income-tax Act, 1955 (Tamil Nadu Act V of 1955) (hereinafter referred to as the principal Act),—

(i) for clause (*j*), the following clause shall be substituted, namely :—

" (*j*) " exempted extent of land " means ten standard acres ; " ;

(ii) after clasue (*m*), the following clause shall be inserted, namely :—

" (*mm*) " hill area " means any area comprising a hill as the Government may, by notification, from time to time specify, after taking into consideration such factors as may be prescribed ; "

(iii) in clause (*r*), the word " cinchona " shall be omitted.

(iv) in clause (*vv*),—

(*a*) for items (i) to (iii), the following items shall be substituted, namely :—

" (i) one-third of an acre of land used for growing arecanut, or

(ii) (1) one-fourth of an acre of land used for growing grapes and irrigated from a Government source of irrigation, or

(2) one-third of an acre of land used for growing grapes and not falling under category (1), or

(iii) (*a*) in any area (other than a hill area)—

(1) one-half of an acre of land used for growing banana and irrigated from a Government source of irrigation, or

(2) one acre of land used for growing banana and not falling under category (1), or

(b) in any hill area, in the case of land used exclusively for growing banana, that extent of the land specified in item (iv-h), (v), (vi), (vii) or (viii), as the case may be ; " ;

(b) for items (iv-a), (iv-b), (iv-c), and (iv-d), the following items shall be substituted, namely :—

" (iv-a) (1) one-half of an acre of land used for growing sugarcane and irrigated from a Government source of irrigation, or

(2) one acre of land used for growing sugarcane and not falling under category (1), or

(iv-b) (1) one acre of land used for growing groundnut and irrigated from a Government source of irrigation, or

(2) one and one-half acres of land used for growing groundnut and irrigated from a source other than a Government source of irrigation, or

(iv-c) (1) one acre of land used for growing cotton and irrigated from Government soucre of irrigation, or

(2) one and one-half acres of land used for growing cotton and irrigated from a source other than a Government source or irrigation, or

(iv-d) (1) one acre of land used for growing coconut and irrigated from a Government source of irrigation, or

(2) two acres of land used for growing coconut and not falling under category (1), or " ;

(c) after *Explanation I*, the following *Explanations* shall be inserted, namely :—

" *Explanation I-A.*—In the case of any land used for growing groundnut or cotton, as the case may be, but not falling under item (iv-b) or (iv-c), as the case may be, standard acre shall be calculated in accordance with item (vii) or (viii), as the case may be.

Explanation I-B.—For the purposes of clause (vv) the, expression " irrigated from a Government source of irrigation " shall mean,—

(i) irrigated by direct flow of water from such source, or

(ii) irrigated by lifting water from such source, or

(iii) irrigated by percolation of water from such source.

Explanation I-C.—For the purposes of clause (vv), a land used for growing any crop and irrigated from a Government source of irrigation shall be deemed to be so irrigated, if such crop is grown wholly with the water from such Government source." ;

(*d*) *Explanation III*, the following proviso shall be added, namely :—

"Provided that in any case falling under clause (*a*) where banana is grown in any hill area, for purposes of shade for any plantation crop, the area cultivated with banana shall be demed to be cultivated with the plantation crop concerned ; " ;

(v) to clause (*y*), the following *Explanation* shall be added, namely :—

"*Explanation.*—The expression 'fruit trees' and the expression 'orchards' shall not include any of the crops mentioned in clause (vv)."

3. *Amendment of section 4, Tamil Nadu Act V of 1955.*—In Section 4 of the principal Act,—

(i) for clause (*b*), the following clause shall be substituted, namely :—

"(*b*) any agricultural income derived from property held under trust, wholly or partly for charitable or religious purposes, to the same extent to which income derived from property held under trust wholly or partly for charitable or religious purposes, is not included in the total income for purposes of the Income-tax Act, 1961 (Central Act 43 of 1961) ; " ;

(ii) the *Explanation* shall be omitted.

4. *Amendment of section 10, Tamil Nadu Act V of 1955.*—In subsection (1) of section 10 of the principal Act, for the words seven and a half standard acres", the words "ten standard acres", shall be substituted.

5. *Substitution of section 65, Tamil Nadu Act V of 1955.*—For section 65 of the principal Act, the following sections shall be substituted, namely :—

"65. *Composition of agricultural income-tax.*—(1) Notwithstanding anything contained in this Act, but subject to the provisions of subsection (3),—

(i) any person who holds land wholly grown with non-plantation crops, may apply to the prescribed officer for permission to compound the agricultural income-tax payable by him and to pay in lieu thereof a lump sum at the rate or rates specfied in Part II of the Schedule to this Act ;

(ii) (*a*) any person who holds land, not exceeding fifty standard acres, grown wholly with plantation crops or grown partly with plantation crops and partly with non-plantation crops, may apply to the prescribed officer for permission to compound the agricultural income-tax payable by him and to pay in lieu thereof a lumpsum at the rate of rates specified in Part II of the Schedule to this Act ;

(*b*) any person who holds land exceeding fifty standard acres, grown with plantation or non-plantation crops and whose extent of land grown with plantation crops does not exceed fifty stanadard acres, may apply to the prescribed officer for permission to compound the agricultural income-tax payable by him and to pay in lieu thereof a lump sum at the rate or rates specified in Part II of the Schedule to this Act ;

(*c*) any person who holds land exceeding fifty standard acres grown with plantation or non-plantation crops and whose extent of land grown with plantation crops, exceeds fifty standard acres, may apply to the prescribed officer for permission to compound the agricultural income-tax payable by him on the income derived from land grown with non-plantation crops, if any, and to pay in lieu thereof a lump sum at the rate or rates specified in Part II of the Schedule to this Act ;

Provided that for the purposes of clause (ii) (*c*), the rate for the first ten standard acres shall be construed to be Rs. 15 per standard acre.

(2) In respect of the income derived from land grown with plantation crops by the person referred to in clause (ii) (*c*) of sub-section (1), the provisions of Chapter V shall apply as if such person had no other income.

(3) No registered firm or unregistered firm treated under section 17 (5) (*b*) as a registered firm shall be entitled to apply for permission to compound under this section but any partner of such firm may apply for permission to compound the agricultural income-tax payable by him on the aggregate of the income derived by him from—

(*a*) the land held by him individually ; and

(*b*) his proportionate share of the land held by the firm.

(4) Every application under sub-section (1) shall be submitted in such form, in such manner and within such time as may be prescribed.

(5) The prescribed officer may after satisfying himself that the particulars specified in the application are correct, by order in writing, grant the permission.

1972 டிசம்பர் 14]

(6) Subject to the provisions of sub-sections (8) to (11), and of section 65-A, the permission granted to any person under sub-section (5) shall commence from the financial year for which such permission was granted and shall conitnue in force, until such person exercises an option under sub-section (8) to submit a return.

(7) Subject to the provisions of sub-sections (10) and (11) in respect of the period during which the permission granted under sub-section (5) is in force, the provisions of this Act regarding the submission of returns, accounts or other documents, the assessment to agricultural income-tax or any other matter incidental thereto shall not apply in relation to the grantee.

(8) Notwithstanding anything contained in sub-section (6), a person to whom permission has been granted under this section to compound the agricultural income-tax payable by him on the total agricultural income for any previous year may opt to submit under sub-section (1) of section 16, a return of the total agricultural income of the next succeeding previous year or the subsequent previous year and upon the submission of such return, the permission granted under this section shall cease to have effect and accordingly assessment shall be made under this Act.

(9) If at any time during the period when the permission granted to any person under sub-section (5) is in force, the person concerned has ceased to hold any land or the extent of standard acres held by him is reduced by reason of a change in the crop grown, he may apply to the prescribed officer in such form, in such manner and within such time as may be prescribed, for reducing the amount specified in the order granting such permission and the prescered officer may after satisfying himself that the particulars specified in the application are correct, reduce such amount suitably.

(10) If at any time during the period when the permission granted to any person under sub-section (5) is in force,the person concerned has acquired in any manner whatsoever any land, or the extent of standard acres held by him has increased by reason of a change in the crop grown, he shall furnish to the prescribed officer in such form, in such manner and within such time as may be prescribed, a return specifying the extent of the land acquired or increased and the prescribed officer may, after satisfying himself that the particulars specified in the return are correct, enhance suitably the amount specified in the order granting such permission.

(11) The provisions of section 16 and other provsions of this Act shall, as far as may be, apply to a return required to be furnished under sub-section (10), as they apply to a return required to be furnished under sub-section (1) of section 16.

65-*A*. *Composition in respect of escaped extent of land.*—(1) Subject to such rules as may be made in this behalf, if for any reason, any extent of land in respect of which composition is permissible under section 65, has escaped composition under section 65, the Agricultural Income-tax Officer may, at any time within such period as may be prescribed, serve on the person liable to pay the agricultural income-tax or in the case of a company, on the principal officer thereof, a notice requiring the willingness of such person or officer to compound the agricultural income-tax payable by him in respect of such extent of land. The notice shall contain all or any of the requirements necessary for permitting composition under section 65.

(2) If such person or officer is willing to compound the Agricultural Income-tax Officer may pass an order permitting composition under section 65 :

Provided that the rate of composition shall be the rate which would have been charged if the extent of land had not escaped composition.

(3) Subject to such rules as may be made in this behalf, if for any reason the composition under section 65 has been permitted at too low a rate or for a lesser extent, the Agricultural Income-tax Officer may at any time within which period as may be prescribed and after notice to the parties affected, revise the order permitting composition under section 65 :

Provided that the rate of composition shall be the rate which would have been charged if the extent of land had not been compounded at too low a rate or for a lesser extent.

65-*B*. *Certain provisions to apply.*—The provisions of sub-section (2) of section 9 and section 20 and section 36 shall so far as may be, apply in relation to the composition of agricultural income-tax under sections 65 and 65-A as they apply in relation to the assessment of agricultural income-tax under this Act."

6. *Amendment of the Schedule, Tamil Nadu Act V of* 1955.—

In the Schedule to the principal Act,—

(*a*) in Part I—

(i) for items (1) and (2) the following item shall be substituted, namely :—

"(1) on the first Rs. 5,000 of total agricultural income.—Nil";

(ii) Items (3) to (9) shall be renumbered as items (2) to (8) respectively :

(*b*) for Part II, the following part shall be substituted, namely :—

" PART II

(*See* sections 65 and 65-A)

Extent.	*Rate per standard acre.* RS.
(1) On the first 10 standard acres	Nil.
(2) On the next 5 standard acres	15·00
(3) On the next 5 standard acres	25·00
(4) On the next 5 standard acres	35·00
(5) On the next 5 standard acres	45·00
(6) On the next 10 standard acres	60·00
(7) On the next 10 standard acres	75·00
(8) On the next 10 standard acres	90·00
(9) On the next 10 standard acres	105·00
(10) On the balance of standard acres	120·00

Provided that in the case of every company, the lump-sum payable under section 65 and section 65-A shall be charged at the maximum rate on the whole of the total extent of the land in respect of which the company is permitted to compound the agricultural income-tax under the said section 65 and section 65-A".

7. *Transitory provision.*—Notwithstanding anything contained in sub-section (6) of section 65 of the principal Act, where any permission has been granted to any person under sub-section (5) of the said section 65 before the 21st November 1972 such permission shall be deemed to be of no effect and any such person may make a fresh application for permission for composition under sub-section (1) of section 65 of the principal Act as amended by this Act.

8. *Act to apply to agricultural income-tax assessable during each financial year commencing on 1st April* 1972.—Notwithstanding anything contained in the principal Act, the principal Act, as amended by this Act, shall apply to the assessment of the agricultural income-tax on the total agricultural income of the previous year assessable during each financial year, commencing on the 1st April 1972 and for the compounding of such agricultural income-tax.

9. ***Repeal.***—The Tamil Nadu Agricultural Income-tax (Amendment) Ordinance, 1972 (Tamil Nadu Ordinance 3 of 1972) is hereby repealed.

I certify that this is a Money Bill.

FORT ST. GEORGE,
MADRAS-9,
12*th December* 1972.

P. SEENIVASAN,
Deputy Speaker, Tamil Nadu Legislative Assembly.